

The Church of Jesus Christ of
Latter-Day Saints (LDS Social Services)

FINANCIAL STATEMENTS

for the year ended

31 December 1996



The Church of Jesus Christ of Latter-Day Saints
(LDS Social Services)
DIRECTORS AND OFFICERS

DIRECTORS

A K Broadway
R J Mawle
W G Reeves
BP Jensen

(resigned 10 March 1997)
(appointed 10 March 1997)

SECRETARY

A K Broadway

COMPANY NUMBER

1346482 (England and Wales)

REGISTERED OFFICE

751 Warwick Road
Solihull
West Midlands
B91 3DQ

AUDITORS

Baker Tilly
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham B3 3HN

BANKERS

Midland Bank Plc

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

DIRECTORS' REPORT

The directors submit their report and the financial statements of The Church of Jesus Christ of Latter-Day Saints (LDS Social Services) for the year ended 31 December 1996.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities of the company are to arrange for the adoption and fostering of children and the provision of counselling services. No change is envisaged in the future.

RESULTS AND DIVIDENDS

The expenditure for the year has been met by a subsidy from the Corporation of the President of the Church of Jesus Christ of Latter-Day Saints and the Corporation of the Presiding Bishopric.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following directors have held office since 1 January 1996:-

A K Broadway
R J Mawle
W G Reeves

Mr R J Mawle retires by rotation and, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS IN SHARES

None of the directors had, at any time during the year, a beneficial interest in the share capital of the company.

FIXED ASSETS

The changes in fixed assets during the year are explained in note 3 to the financial statements.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

A K Broadway
A K Broadway

Secretary

24 April 1998

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (LDS SOCIAL SERVICES)

We have audited the financial statements on pages 5 to 12.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures of the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

BAKER TILLY

Registered Auditor
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham
B3 3HN

28 April 1998

The Church of Jesus Christ of Latter-Day Saints
(LDS Social Services)
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 1996

	<i>Notes</i>	1996 £	1995 £
TURNOVER		16,543	4,743
Administrative expenses		191,649	194,834
		<u>(175,106)</u>	<u>(190,091)</u>
Subsidy from parent company		175,106	190,091
		<u> </u>	<u> </u>
Opening deficit and result for the financial year	1	-	-
Retained reserves brought forward		-	-
		<u> </u>	<u> </u>
RETAINED RESERVES CARRIED FORWARD		-	-
		<u> </u>	<u> </u>

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure Account.

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

BALANCE SHEET

31 December 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	3	19,334	19,991
CURRENT ASSETS			
Debtors	4	88,640	13,603
Cash at bank and in hand		45	47,361
		88,685	60,964
CREDITORS: Amounts falling due within one year	5	107,919	80,855
NET CURRENT LIABILITIES		(19,234)	(19,891)
TOTAL ASSETS LESS CURRENT LIABILITIES		100	100
CAPITAL AND RESERVES			
Called up share capital	6	100	100
SHAREHOLDERS' FUNDS		100	100

Approved by the board on 24 April 1998

OK Broadway
A K Broadway

Director

The Church of Jesus Christ of Latter-Day Saints
(LDS Social Services)
CASH FLOW STATEMENT
for the year ended 31 December 1996

	<i>Notes</i>	1996 £	1995 £
NET CASH FLOW FROM OPERATING ACTIVITIES	9a	(53,107)	42,090
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(14,103)	(12,437)
Sale of tangible fixed assets		4,060	-
Net cash outflow from investing activities		(10,043)	(12,437)
CHANGE IN CASH AND CASH EQUIVALENTS	9b&c	(63,150)	29,653

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention. In accordance with applicable accounting standards.

ACCOUNTING CONCEPT

The company's basis of accounting is that income is recorded on a cash basis. Expenditure is also recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements on the accruals basis is not considered by the directors to be material.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Motor vehicles

25%

TURNOVER

Turnover represents the amount received for services provided. The directors consider that an analysis of the turnover by class of business and geographical area is not appropriate.

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

1	RESULT FOR THE YEAR	1996	1995
		£	£
	This is stated after charging:-		
	Depreciation on owned assets	11,994	11,234
	Auditors' remuneration	1,104	1,500
	(Profit)/loss on disposal of tangible fixed assets	(1,294)	5,202
		<u> </u>	<u> </u>
2	EMPLOYEES	1996	1995
		No.	No.
	The average weekly number of persons (including directors) employed by the company during the year was:		
	Directors	3	3
	Counsellors	4	4
	Office staff	2	2
		<u> </u>	<u> </u>
		9	9
		<u> </u>	<u> </u>
		1996	1995
		£	£
	Staff costs for the above persons:		
	Wages and salaries	119,350	114,496
	Social security costs	9,182	10,853
	Other pension costs	13,332	12,685
		<u> </u>	<u> </u>
		141,864	138,034
		<u> </u>	<u> </u>

DIRECTORS' REMUNERATION

None of the directors who served during the year ended 31 December 1996 received remuneration from this company, nor was any charge made to the company for their services by any other group company.

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1996

3 TANGIBLE FIXED ASSETS

	<i>Motor vehicles</i>
	£
Cost	
1 January 1996	44,938
Additions	14,103
Disposals	(11,064)
	<hr/>
31 December 1996	47,977
	<hr/>
Depreciation	
1 January 1996	24,947
Charged in the year	11,994
Disposals	(8,298)
	<hr/>
31 December 1996	28,643
	<hr/>
Net book value	
31 December 1996	19,334
	<hr/>
31 December 1995	19,991
	<hr/>

4	DEBTORS	1996	1995
		£	£
	Due within one year		
	Amounts due from group undertakings	88,640	13,534
	Amounts due from associated undertakings	-	69
		<hr/>	<hr/>
		88,640	13,603
		<hr/>	<hr/>

5	CREDITORS: Amounts falling due within one year	1996	1995
		£	£
	Bank overdraft	15,833	-
	Balances due to associated undertakings	92,086	80,855
		<hr/>	<hr/>
		107,919	80,855
		<hr/>	<hr/>

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

6	SHARE CAPITAL	1996	1995
		£	£
	Authorised		
	100 ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
	Allotted, issued and fully paid		
	100 ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
7	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	1996	1995
		£	£
	Result for the financial year	-	-
	Opening shareholders' funds	100	100
		<u> </u>	<u> </u>
	Closing shareholders' funds	100	100
		<u> </u>	<u> </u>
8	ULTIMATE HOLDING COMPANY		
	The company is owned by the Church of Jesus Christ of Latter Day Saints (LDS Social Services), a company incorporated in the United States of America. Assurances of continued financial support have been received from this company.		
9	CASH FLOWS	1996	1995
		£	£
a	Reconciliation of operating deficit to net cash flow from operating activities		
	Operating deficit	-	-
	Depreciation	11,994	11,234
	(Profit)/loss on sale of fixed assets	(1,294)	5,202
	(Increase)/decrease in debtors	(79,519)	3,288
	Increase in creditors	15,712	22,366
		<u> </u>	<u> </u>
		(53,107)	42,090
		<u> </u>	<u> </u>

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1996

9 CASH FLOWS *(continued)*

b	Analysis of changes in cash equivalents during the year	1996	1995
		£	£
	Balance at 1 January 1996	47,362	17,709
	Net cash flow	(63,150)	29,653
		<hr/>	<hr/>
	Balance at 31 December 1996	(15,788)	47,362
		<hr/>	<hr/>
c	Analysis of balances of cash and cash equivalents as shown in the balance sheet		<i>Change</i>
			<i>in year</i>
		1996	1995
		£	£
	Cash at bank and in hand	45	47,362
	Bank overdraft	(15,833)	-
		<hr/>	<hr/>
		(15,788)	47,362
		<hr/>	<hr/>
			<i>Change</i>
		1995	1994
		£	£
	Cash at bank and in hand	47,362	17,709
		<hr/>	<hr/>
			29,653
		<hr/>	<hr/>